

HOUSE BILL 59
By Wood

AN ACT to amend Tennessee Code Annotated, Title 4 and Title 12, relative to public contracts.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 12-3-202, is amended by designating the existing language as subsection (a) and by adding the following new subsections:

(b)

(1) All proposed contracts in excess of one hundred thousand dollars (\$100,000) not entered into pursuant to competitive bidding under Section 12-3-203 shall be provided to the fiscal review committee prior to awarding the contract.

(2) The following documentation shall be required for all contracts not entered into pursuant to competitive bidding under Section 12-3-203, and furnished to the fiscal review committee under subdivision (b)(1):

(A) Description of the unique service to be provided, including the need for, or requirement placed on the procuring agency, to acquire such service;

(B) Evidence that a proposed contractor is the only source from which the required services can be obtained, or documentation of all efforts made to obtain bids from vendors to provide such services;

(C) Evidence that the proposed contractor has experience in providing such services, and evidence that the proposed contractor has successfully provided such services for other entities; and

(D) The names and addresses of the principal owners of the proposed contractor.

(c) All departments and agencies of state government shall have a contract monitoring and management system. Contract monitoring reviews shall be made available to the fiscal review committee. Such reviews shall determine whether the contractor has accomplished the requirements of the contract within the time frames included in the contract and whether any corrective actions were taken or penalties were assessed if contract requirements were not met.

(d) All requests by procuring agencies seeking the commissioner of finance and administration's approval of an exception to the rules governing service contracts, as well as any action taken on the request, shall be provided by the commissioner of finance and administration to the fiscal review committee.

(e) The commissioner of finance and administration shall provide advance notice to the fiscal review committee of any proposed contracts in which the liability of the contractor is to be limited.

SECTION 2. This act shall take effect July 1, 2003, the public welfare requiring it.